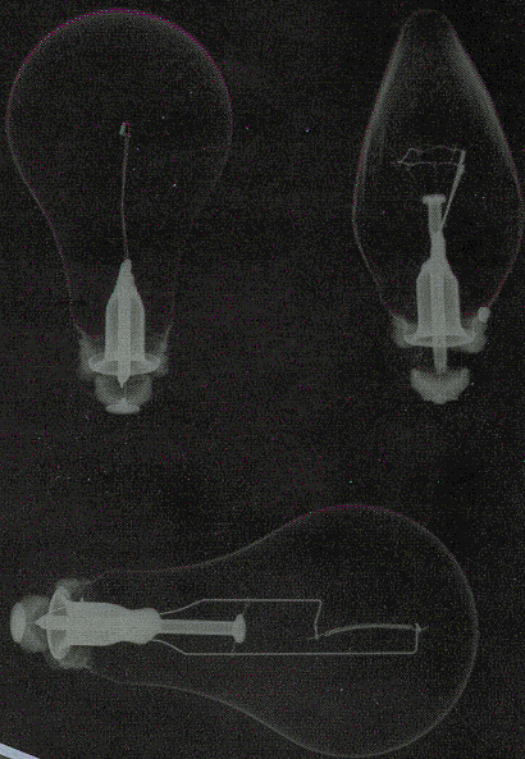


POWER GUIDE

A comprehensive guide
to electric restructuring.



Maine Public Utilities Commission

POWER GUIDE

WHAT'S CHANGING?

The most noticeable change is that your electric service will be provided by two separate entities, instead of one:

THE ELECTRICITY SUPPLIER-the company that produces or supplies electricity.

THE DISTRIBUTION COMPANY-The company that transmits and delivers electricity to your home or business, and maintains wires and poles.

Electric Choice gives you the power to choose your Electricity Supplier. You can shop around for the best price and services. Delivery service will continue to be provided by your local utility (Distribution Company), and its prices will still be set by the PUC. Depending on where you live in Maine, your Distribution Company will continue to be Central Maine Power (CMP), Bangor Hydro Electric (BHE), Maine Public Service (MPS), or one of Maine's consumer-owned utilities.

WHAT IS NOT CHANGING?

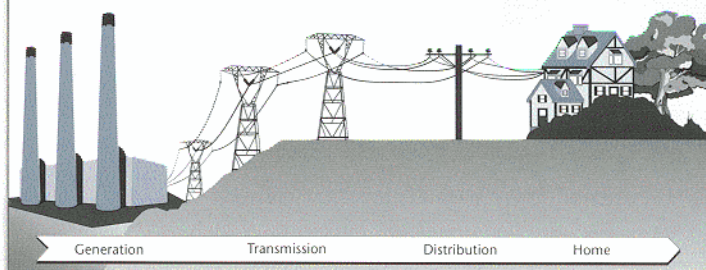
Transmission, which brings electricity from its supply sources to local substations, and **distribution**, which includes the wires and poles that bring the power to homes and businesses, are not open to competition and choice. Delivery will still be provided by your Distribution Company, so the reliability and availability of your service will not change. You will still call your Distribution Company if there's a power outage and you'll still receive a bill from them.

MAINE'S ELECTRIC INDUSTRY IS CHANGING!

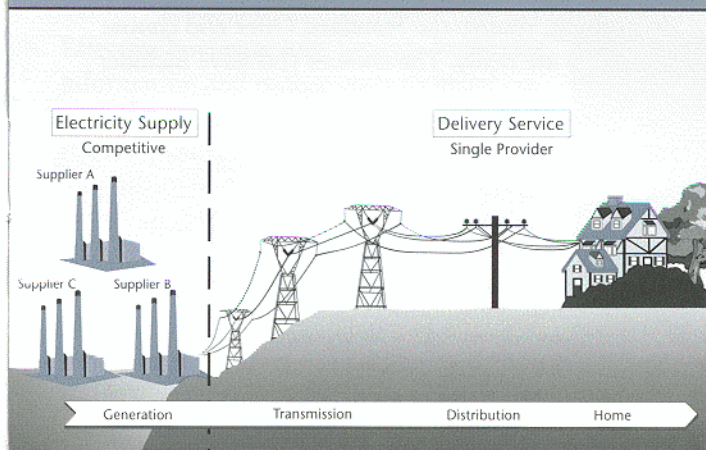
For the past 80 years, a single utility company has supplied and delivered electricity to your area under the supervision of the Maine Public Utilities Commission (PUC). Beginning March 2000, Maine's electric industry will be restructured, which means the supply portion of electric service is opening up to a competitive market. All of Maine's residential and business customers can choose the company that produces their electricity.

BEFORE RESTRUCTURING

Single Provider system



AFTER RESTRUCTURING



WHY IS ELECTRIC RESTRUCTURING HAPPENING?

Most consumers in Maine, and the rest of New England, have some of the highest electric rates in the country. This so concerned the Maine Legislature that in 1997 it passed a law opening up Maine's electricity supply to competition. Electric competition is taking place in states across the country, and over time restructuring should help to move Maine's overall electric rates closer to the national average.

WHAT ARE THE BENEFITS OF ELECTRIC RESTRUCTURING ?

There are no guarantees, but shifting to a competitive market should lower overall electric rates over time. A major benefit of electric restructuring is that Suppliers, not consumers, bear the financial risk of investing in new generation plants.

Rates also may be lowered as the industry develops more efficient ways of producing energy. Electric Choice also gives you the option to choose more environmentally-friendly energy sources.

THE 3 OPTIONS OF ELECTRIC CHOICE

Electric Choice opens up several options for electricity supply. You can choose a new Electricity Supplier to be effective March 1, 2000. Or you can do nothing, receive the Standard Offer and choose when you are ready. The choices you have include:

- 1) CHOOSE AN ELECTRICITY SUPPLIER
- 2) JOIN A BUYING GROUP
- 3) RECEIVE STANDARD OFFER SERVICE

ELECTRICITY SUPPLIERS

Suppliers may be actual owners and producers of electricity supply, middlemen who purchase the output from actual producers for resale at retail, brokers who put individual customers in touch with Suppliers, or Aggregators who negotiate with Suppliers on behalf of groups of customers. All Suppliers must register with the PUC to sell electricity in Maine.

Suppliers may offer several choices with different services, fees and terms. Whatever choice you make, always be sure to confirm which of the Supplier's plans you are selecting.

BUYING GROUPS

The power of group buying is common in businesses from health insurance to wholesale clubs. Group buying of electricity is happening in other states where restructuring has taken place. Electric buying groups, sometimes called aggregates, benefit both the consumer and the Supplier. An electricity buying group may be formed just to purchase electricity or may be an already existing group. In other states these groups have included trade associations, non-profit organizations, churches, municipalities, school districts, and other business organizations.

WHAT ARE THE BENEFITS?

Effective buying groups provide important information and reduce costs to members. Members of buying groups may receive discounted prices, special billing services, advice and financing for improving the energy efficiency of their homes or businesses, or power from preferred sources, such as renewable power. These benefits may mean more favorable prices and terms for group members than they can find on their own. The Supplier benefits by gaining significant market share in a single deal. As with any new business relationship, you should carefully review the group's



membership, financial viability and goals, and be sure you understand your obligations before signing any contract. All Aggregators must be licensed by the PUC, and meet financial and regulatory criteria.

For an in-depth pamphlet on Group Power, or for a list of PUC-licensed Aggregators, call the PUC's toll-free Electric Choice Information Line at 1-877-PUC-FACT (1-877-782-3228), or access them on our Electric Choice Website at www.pucfact.com.

THE STANDARD OFFER

Those customers who don't want to select their own Supplier or join a buying group, can decide not to choose. If you do not sign up with another Supplier or join a buying group, you will **automatically** receive service under the Standard Offer. If you terminate service from an Electricity Supplier and do not choose a new one, you will automatically receive service under the Standard Offer.

Delivery to all customers, whether they choose a Supplier, join a buying group or receive supply through the Standard Offer, will be through the Distribution Company — their current electric utility. The distribution price, set by the PUC, will be the same whatever Supplier choice you make.

WHAT ARE MY POWER SOURCE OPTIONS?

Electric Choice gives you control over how your energy dollars are being spent, by letting you choose the environmental impacts of your electricity supply. Different forms of electricity generation have different impacts on the environment. Depending on the percentage of environmentally-friendly energy your Supplier uses, your choice could have a positive effect on the environment. By Maine law, Suppliers must

include a minimum of 30% renewable and efficient energy in their power mix. But, based on consumer demand, some Suppliers may include more.

WHAT IS RENEWABLE ENERGY?

Renewable energy is power generated from a source that either doesn't run out, or is quickly renewed through natural processes, including wind, water (hydroelectric), sun (solar), wood burning (biomass) and trash-to-energy plants.

WHAT IS NON-RENEWABLE ENERGY?

Non-renewable energy is power generated from a source that can only be used once, including nuclear, oil, coal and natural gas. For the most part, renewable energy is produced without significant air pollution, but non-renewable energy may be less costly to produce. You can affect the availability and pricing of renewable energy sources by requesting environmentally-friendly plans. As demand grows over time, any cost differences may decrease.



For more detailed information, a Power Sources brochure is available by calling the PUC's toll-free Electric Choice Information Line at 1-877-PUC-FACT (1-877-782-3228), or accessing it on the Electric Choice Website at www.pucfact.com.

HOW DO I SHOP FOR A NEW SUPPLIER?

As competitive Suppliers enter Maine's electric market, you may receive offers and information by mail or phone. You can also call the PUC to receive a list of Suppliers serving your area. Compare their rates with Standard Offer Service rates listed on the PUC website. Standard Offer rates can also be obtained by calling the toll-free PUC Electric Choice Information Line at 1-877-PUC-FACT (1-877-782-3228), or by contacting your Distribution Company.

You have two tools for helping you compare Suppliers:

ITEMIZED BILLS

Since January 1999, your electric services have been itemized on your bill, to show separate charges

for electricity supply (energy) and delivery service. The charge for electricity supply will be the price you accept from the Electricity Supplier you choose, or the Standard Offer price. The charge for delivery service will continue to be set by the PUC.

It's important to note that electricity supply, for most Maine consumers, currently represents only about 30% of their total electric bill. Any savings gained from your choice of Supplier will apply only to electricity supply.

SAMPLE ITEMIZED BILL

			Service Type: Residential	
Meter	Date	Reading	Prior Balance	\$72.93
937	02-09-00	83709	Payment Received—Thank You	\$72.93
937	01-09-00	83169	Your Balance Carried Forward	\$00.00
Kilowatt-Hours Used		540	Current Month's Charges	
Number of Days		30	Electricity Supply	540 kWh @ \$.043= \$23.22
			Delivery Service	540 kWh @ \$.083= \$44.82
			Total Current Charges	\$68.04

The diagram consists of two arrows. The first arrow originates from the 'Electricity Supply' line item (\$23.22) and points to the 'Rate Per kWh' label. The second arrow originates from the 'Delivery Service' line item (\$44.82) and points to the 'Usage' label.

UNIFORM DISCLOSURE LABELS

To guarantee that consumers have a fair basis for comparing offers, the state has put Uniform Information Disclosure standards in place. All Suppliers must give you the same information about the services they provide, including average price, resource mix and air emissions information, pricing variability and customer service information. This

information is charted on a label, much like the nutrition labels found on foods, and must be provided to you before you begin service. The label is also available upon request, and included quarterly with your bill.

SAMPLE UNIFORM			DISCLOSURE LABEL		
GENERATION PRICE Average price per kWh at different levels of use. Prices do not include regulated charges for customer services and delivery.	Average Use	250 kWh	500 kWh	1000 kWh	2000 kWh
	Average price per kWh	4.5 cents	4.5 cents	4.5 cents	4 cents
	Your average generation price will vary according to when and how much electricity you consume.		See your most recent bill for your monthly use and your Terms of Service for the actual prices.		
CONTRACT	• Minimum Length: 3 years (30-day notice required for termination. Penalties may apply.)		• Contract Terms: Fixed price over contract period.		
POWER SOURCES This electricity product was assigned generation from the following sources.	Power Sources	%	Power Sources	%	
	Biomass	8	Coal	10	
	Hydro	18	Nuclear	6	
	Natural Gas	5	Solar	8	
	Oil	24	Other Renewables	4	
	Wind	2	Municipal	15	
AIR EMISSIONS Carbon dioxide (CO ₂), nitrogen oxide(NO _x), and sulfur dioxide (SO ₂) emission rates from these sources, relative to the regional average.	<div><div>Regional Average</div><div><div>↓</div></div><div><div>CO₂</div><div>NO_x</div><div>SO₂</div></div><div><div>lower emissions</div><div>higher emissions</div></div></div>				

WHEN IS THE CHANGE EFFECTIVE?

For your choice to be effective March 1, 2000, you will need to sign up several weeks in advance, by early to mid-February. If you do decide to switch, you should contact your new Electricity Supplier, **not** your Distribution Company. After choosing a new Supplier, you have a five-day period in which you can change your mind and cancel your contract without incurring any cancellation fees. Any choice of a new Supplier made after March 1, 2000, will be effective the next scheduled meter-read date, after the five-day cancellation period has passed. You can switch to Standard Offer at any time.

SWITCHING SUPPLIERS

You must arrange to switch to a competitive Supplier directly with that Supplier. If you are switching to the Standard Offer after March 1, 2000, you must first contact your Supplier to end the contract. Once the contract is terminated, you will automatically receive the Standard Offer.

There are “opt-out” fees in certain circumstances for larger commercial customers and Aggregators who switch from Standard Offer Service. For more information on “opt out” fees call the toll-free PUC Electric Choice Information Line at 1-877-PUC-FACT (1-877-782-3228) and ask for the Small Business Power Guide



FOR CHOOSING A NEW SUPPLIER

✓ Be sure they are licensed. By Maine law, Electricity Suppliers must be licensed by the PUC, and certified as technically and financially viable. To view a list of licensed Suppliers, visit the Electric Choice Website at www.pucfact.com, or call our toll-free Electric Choice Information Line at 1-877-PUC-FACT (1-877-782-3228).

✓ Get detailed information on rates. Electricity supply rates are typically quoted by kilowatt-hour of usage. Some Suppliers may offer rates that vary by time of day. Others may offer flat or fixed prices that vary according to length of contract. Always compare rates to the Standard Offer.

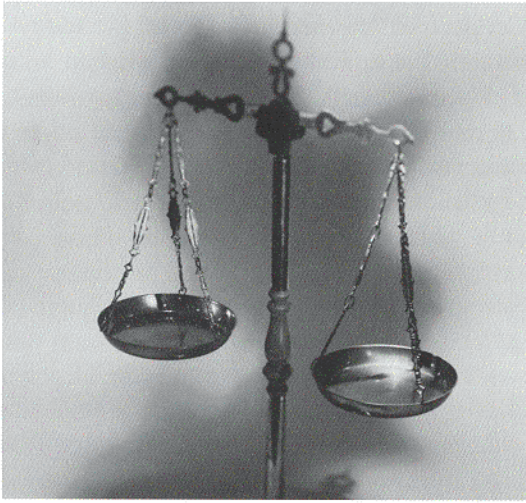
✓ Ask about energy-mix options. Some Suppliers may offer “environmentally-friendly” options that go beyond the 30% minimum requirement. To review a Supplier’s power sources, look at the air emissions data on their disclosure statement, which is measured against a regional average.

✓ Find out about customer service options. In other states, some Suppliers offer added services and incentives, including join-up incentives, 24-hour customer service and bundled services, with electricity supply offered in conjunction with other products and services such as fuel, cable television and internet access or energy efficiency advisory services.

✓ Check out billing options. Although you’ll still get a monthly bill from your Distribution Company, you may also receive a separate bill from your Supplier. You may be able to arrange to have all charges included in a single bill sent by your Distribution Company. Be sure to ask.

✓ Ask about additional fees or conditions. Make sure you know in advance if there will be any supply connection or service startup fee. Some companies may charge a cancellation fee if you change Suppliers before your contract is up.

✓ Understand the length and terms of the agreement. Suppliers may offer several terms, including monthly or yearly options.



ARE THERE ANY CONSUMER PROTECTIONS?

Yes. With Electric Choice, consumer protections are built right into the law. The Legislature and the Public Utilities Commission have established clear guidelines and standards for Maine's new competitive Electricity Suppliers. The PUC will oversee Supplier licensing and will continue to ensure that all Mainers have equal access to power.

LICENSING REQUIREMENTS

In order to offer services in Maine, all Electricity Suppliers must be licensed by the PUC. Licensure is granted only after Suppliers have proven their technical capability, financial viability, and have disclosed the required complaint information.

UNIFORM DISCLOSURE

All Suppliers must give you the same information about any services they may provide, including average price, resource mix and air emissions information, pricing variability, and customer service information.

TERMS OF SERVICE

You will receive a written Terms of Service document after signing up. You then have five days from the mailing date of the Terms of Service document in which you can cancel without penalty. **Suppliers must give you written notice at least 30 days prior to canceling your contract.**

SLAMMING PROTECTIONS

Maine law has "slamming" protections to prevent consumers from being switched to new Suppliers without their consent. To ensure that this does not occur, you must either authorize the switch in writing, or if done over the phone, it must be confirmed by a third-party verification service.

LOW-INCOME ASSISTANCE

If you need help paying for your electricity, you may qualify for low-income bill payment assistance, sponsored by several of Maine's electric utilities. To find out if you are eligible for this assistance, call your Distribution Company.

DO NOT CALL LIST

Suppliers must comply with federal and state laws regarding telephone solicitation. They are allowed to make telemarketing calls only between 8 a.m. and 9 p.m. and must maintain a "Do Not Call" list. You may call a Supplier to request that your name be added to their "Do Not Call" list or notify them when they contact you. You may also join a national "Do Not Call" list that will prevent solicitation by phone from a wide variety of companies.

HOW TO PUT YOUR NAME ON THE NATIONAL DO NOT CALL LIST

To put your name on the national "Do Not Call" list, write to: Telephone Preference Service, Direct Marketing Association, P.O. Box 9014, Farmingdale, NY 11735-9014. Be sure to include your full name, address and phone number with area code.

ADDITIONAL RESOURCES ON
ELECTRIC RESTRUCTURING

- GROUP POWER - A guide to group buying and aggregation.
- POWER SOURCES - A guide to renewable and non-renewable electricity sources.
- SMALL BUSINESS POWER GUIDE
A comprehensive guide to electric restructuring for small businesses.
- VIDEO
“Electric Restructuring in Maine”
- ELECTRIC CHOICE WEBSITE
www.pucfact.com

If you would like to request any materials, call the toll-free PUC Electric Choice Information Line at 1-877-PUC-FACT (1-877-782-3228)
TTY 1-800-437-1220



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